



TO: Albany City Council

VIA: Wes Hare, City Manager
Jeff Blaine, P.E., Public Works Engineering & Community Development Director
Chris Bailey, Public Works Operations Director

FROM: Mark A. Yeager, P.E., Utility Services Manager

DATE: November 2, 2016, for the November 9, 2016, City Council Meeting

SUBJECT: Stormwater, Water, and Sewer Service Charge Resolutions

RELATES TO STRATEGIC PLAN THEME: ● Great Neighborhoods
● Safe City
● An Effective Government

Action Requested:

Staff is seeking Council review and approval of the attached resolutions to establish a charge for stormwater services and to reduce charges for water and sewer service.

Discussion:

There are three (3) linked service charge resolutions included with this memo. Council previously provided direction regarding the coupling of water and sewer service charge reductions with the implementation of a stormwater service charge. If adopted, the stormwater service charge, the two-percent (2%) water service charge reduction, and the six-percent (6%) sewer service charge reduction will all be effective March 1, 2017. As proposed, the average residential customer will see a \$2.61 per month (2.7%) increase in the overall utility bill.

The City Council has been considering stormwater system needs, regulatory requirements, and funding alternatives for nearly two years. Since January 2015, there have been 11 Council work sessions with dedicated stormwater discussions. At the October 10, 2016, Work Session, Council provided final direction to staff regarding implementation of stormwater service charges.

The attached stormwater service charge resolution reflects Council direction regarding revenue requirements, basic rate design principles, customer classes, tiered rates for single-family residential customers, and credit programs for non-single family residential customers. In addition, the resolution contains language describing a stormwater bill appeal process, the option to phase in the rollout of the rates to customers, and general utility information regarding billing and account management. The resolutions to implement the water and sewer service charge reductions upon the effective date of the stormwater service charge are also attached for Council consideration.

Budget Impact:

Adoption of the proposed resolutions will result in receipt of approximately \$400,000 in stormwater revenues assuming all customers are billed beginning March 1, 2017, and a loss of approximately \$60,000 in water and approximately \$250,000 in sewer revenues for the current fiscal year budget.

November 7, 2016 City Council Work Session

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MAY:rk

Attachments (3)

c: Jeni Richardson, P.E., Civil Engineer III (via email)

Ryan Beathe, Civil Engineer II (via email)

Kristin Preston, Wastewater Superintendent (via email)

Jeff Babbitt, Public Works/Community Development Business Manager (via email)